

VZCZCXRO6566
PP RUEHBC RUEHDE RUEHKUK
DE RUEHMS #1422/01 2751312

ZNR UUUUU ZZH
P 021312Z OCT 06
FM AMEMBASSY MUSCAT
TO RUEHC/SECSTATE WASHDC PRIORITY 7204
INFO RUEHEE/ARAB LEAGUE COLLECTIVE
RUEHLO/AMEMBASSY LONDON 0441
RUEHFR/AMEMBASSY PARIS 0333
RHMFIS/CDR USCENTCOM MACDILL AFB FL

UNCLAS SECTION 01 OF 02 MUSCAT 001422

SIPDIS

SIPDIS

STATE FOR NEA/ARP, NEA/PPD, NEA/PI, AND INR/R/MR
STATE PASS USTR FOR N. MOORJANI, J. BUNTIN
LONDON FOR TSOU
PARIS FOR ZEYA
USCENTCOM FOR PLUSH
FOREIGN PRESS CENTER FOR SILAS

E.O. 12958: N/A

TAGS: OIIP KPAQ KMDR MU

SUBJECT: MEDIA REACTION: PALESTINIAN GOVERNANCE, U.S.-OMAN FTA, IRAQ SECURITY, ISRAEL AND LEBANON

¶1. SUMMARY: English daily "Oman" laments Palestinian infighting, lauds the "vital role" of the U.S.-Oman Free Trade Agreement (FTA), criticizes America's "failure" to ensure security in Iraq, and says Arab-Israeli peace must precede regional peace. Arabic daily "Al-Watan" chides Israel for its "violation" of UN Security Council Resolution 1701. Internet posters question the benefits of the FTA.
END SUMMARY.

COVERAGE

¶2. On Wednesday, September 27, all dailies front-paged large color photos of President Bush signing the U.S.-Oman Free Trade Agreement, in the company of Omani Ambassador to the U.S. Hunaina bint Sultan bin Ahmed Al Mughairi and U.S. officials. The photos were accompanied by lengthy articles that drew heavily on material provided by Embassy Muscat. In a welcome new development, state Arabic daily "Oman" is increasingly featuring material drawn from Washington File content in its regular "Political File" section, which provides perspective on regional and international issues based on material compiled from Egyptian sources.

BLOCK QUOTES: RENEWED PALESTINIAN INFIGHTING

¶3. On September 26, government-owned Arabic daily "Oman" (circulation 38,000) published an editorial asking "The War of Words between Hamas and Fatah: Why Is It Back?":

"The Hamas-Fatah talks about forming a unity government were on the right track before President Abbas's visit to the U.S. Now it is clear that there are forces that do not want the Palestinian territories to improve. It is of no use for the Palestinian people to concentrate only in one part of the 'prisoners' document,' upon which both parties agreed earlier. It is not possible for any Palestinian government to start from zero and ignore many years of agreements and peace initiatives."

"VITAL ROLE" OF U.S.-OMAN FREE TRADE AGREEMENT

¶4. "Oman" carried a September 28 editorial under the headline "The Free Trade Agreement and Encouragement of Bilateral Trade": "The Free Trade Agreement between Oman and the U.S. became a reality when President Bush signed it. The agreement went through much

negotiation and many phases towards activating trade between the two countries, which will then attract more investment for exporting and importing products. President Bush indicated that the agreement will provide job opportunities for both countries and open new markets for American products. FTAs play a vital role in the world, whether these agreements are with the U.S. or the European Union. They activate trade and the free movement of products between countries without any obstacles. Economic relations are an essential factor in the international arena. The Sultanate is keen to benefit from agreements that promise growth in the national economy, especially in the areas of trade and investment in which Oman is actively pursuing projects in tourism, industry, power, gas, and ports. The FTA between Washington and Oman is going to contribute to the revival of Omani exports and growth of investments -- hence, to the growth of the national economy."

AMERICAN "FAILURE" TO CREATE A SECURE IRAQ

¶5. On September 29 "Oman" editorialized about "Iraq and the Continuous Violence":

"Perhaps the most pressing dilemma in Iraq is the failure of American forces and others to create a peaceful and secure environment, one that would give the Iraqi people a chance to rebuild a country that has been plagued by three decades of war. Iraq has entered a difficult phase since the Kurds started trying to separate and different factions started sparring about the American withdrawal. Iraqi violence is likely to escalate due to the failure of prevailing policies. If the situation in Iraq continues, Iraq is going to enter a dark tunnel with no hope of getting out. Iraqis' suffering will increase."

ISRAELI "VIOLATION" OF UN RESOLUTION 1701

MUSCAT 00001422 002 OF 002

¶6. On September 29, privately owned "Al-Watan" (circulation 42,000) commented on the UN Security Council in a piece entitled, "One Institution, Contradictory Resolutions":

"Israel has repeatedly proved its violation of resolution 1701 by insisting on keeping 10 locations in southern Lebanon, challenging all international powers. In Lebanese territory, Israel is continuing to stop people for security checks and is accusing journalists of spying on Israeli soldiers. The UN is heavily involved in Lebanon now, and Israel is killing [UN] troops on the pretext that their identity is not defined. This shows Israel's ability to get away with its crimes. It is not strange for Israel to attack UNIFIL and then apologize for the 'mistake,' in order to evade accountability for violations and crimes."

AMERICAN SUPPORT FOR ISRAEL AND MIDEAST CONFLICT

¶7. On September 30 a columnist in "Oman" wondered "Whither Regional Conflicts?"

"Ongoing and unexpected regional conflicts cause huge divisions not only between countries but also between groups and individuals in the Islamic East and Christian West. The Arab/Israeli conflict is a traditional war that caused six wars between the Arabs and Israel and led to regional instability... This spurred ideologies like Al Qaeda and other extremist groups that see the West and their policies as the source of evil. America has contributed to more conflicts in the region by its continuous support for Israel. However, after the Israeli war with Hezbollah, America has learned that without solving the Arab-Israeli conflict, other conflicts will always remain."

ONLINE DISCUSSION: LACK OF CLARITY ON FTA

¶8. Posters to Oman's principal online discussion forum, Al Sablah (www.omania.net), commented on the U.S.-Oman free trade agreement (FTA). They demanded more government transparency regarding how Omanis will benefit from such an agreement; many believed that Omani products are not strong enough to enter American markets, while American goods will flood Omani markets. Some members also hoped that the FTA would mean cheaper American products in Oman. Others noted that they would not support the FTA until seeing tangible benefits. The topic generated 858 hits and 21 responses, a moderately strong response for a topic comparatively arcane to the forum's members.

GRAPPO